

(Translation)

**Minutes of the 2011 Annual General Meeting of Shareholders
of
PTT Public Company Limited (PTT)**

Date, time and place of the Meeting

The 2011 Annual General Meeting of Shareholders (the **Meeting**) was held on Wednesday 20 April 2011, at 9.30 a.m., at Plenary Hall 1-3, Queen Sirikit National Convention Centre, No. 60, New Ratchadaphisek Road, Klongtoey, Bangkok.

Before the Meeting

PTT presented a video detailing safety instructions for the use of the meeting halls and asked all shareholders to turn off their mobile phones.

Beginning of the Meeting

When the Meeting began, there were 3,476 shareholders and proxies present at the Meeting, consisting of 1,640 shareholders attending the Meeting in person and 1,836 shareholders attending the Meeting by proxy primarily, representing 2,056,117,024 shares. The number of shares represented at the Meeting is equal to 72.17 percent, which is more than one-third of the total 2,849,042,025 issued and outstanding shares of PTT. A quorum was therefore constituted in accordance with PTT's Articles of Association. Meanwhile, the registration of attendees for the Meeting continued outside the meeting halls.

Mr. Naris Chaayasoot, acting Chairman of the PTT board of directors, presided over the Meeting as Chairman of the Meeting and declared the Meeting duly convened. He then welcomed the shareholders to the Meeting and declared that PTT would like to thank all shareholders for their continued patronage and reiterated that PTT is committed to carry out its integrated energy business as a Thailand's leading energy company with good management, transparency and accountability, while emphasising on enhancing its operations performance and increasing its competitive capabilities with a view to generating the highest benefits primarily to its shareholders and all shareholders. Thereafter, the Chairman then introduced 13 directors of PTT and 2 executive officers of PTT (on stage) as follows:

Directors

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| 1. Mr. Naris Chaayasoot | Acting Chairman |
| 2. Mr. Norkun Sittiphong | Director |
| 3. Mr. Chaikasem Nitisiri | Independent Director/Chairman of the Audit Committee
(ad interim)/Chairman of the Corporate Governance Committee |
| 4. Mr. Watcharakiti Watcharothai | Independent Director/Chairman of the Nominating Committee
(ad interim)/Member of the Corporate Governance Committee |
| 5. Mr. Nontigorn Karnchanachitra | Independent Director/Chairman of the Remuneration Committee |
| 6. Mr. Krairit Nilkuha | Director/Member of the Remuneration Committee |
| 7. Mr. Surapon Nitikraipot | Independent Director/Member of the Corporate Governance Committee |
| 8. Mr. Anuwat Mayteewibulwut | Independent Director |
| 9. Mr. Bhusana Premanode | Independent Director |

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| 10. | Mr. Sommai Khowkchaporn | Independent Director |
| 11. | Mr. Pichai Chunhavajira | Director |
| 12. | Mrs. Benja Louicharoen | Director |
| 13. | Mr. Prasert Bunsumpun | Director, Secretary to the Board of Directors/President & CEO |

Executive Officers

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| 1. | Mr. Tevin Vongvanich | Chief Financial Officer |
| 2. | Mr. Prajya Phinyawat | Chief Operating Officer, Downstream Petroleum Business Group |

Two former directors, Mr. Surachai Phuprasert and Mr. Ampon Kittiamphad resigned from the board of directors in order to perform other duties. In addition, there were other executive officers in the rank of Vice President, Assistant Vice President and other executives from PTT's Group standing by in front of the stage who were prepared to provide any clarification and information in case of questions. Moreover, the independent directors that were presented at the Meeting would also act as proxies for the minority shareholders.

Auditors and legal advisors present at the Meeting

The Chairman introduced 3 representatives from the Office of the Auditor General of Thailand, PTT's auditors, Ms. Mayuree Chantamart, Ms. Phissamai Chalamket, Ms. Aungkana Thechawongsakorn. Then, the Chairman introduced 3 legal advisors, Ms. Peangpanor Bhunklam of Weerawong, Chinnavat & Peangpanor Limited, Mr. Akrapol Pichedvanichok, Mr. Sarayut Jitprasertngam and Ms. Manunya Thitinuntawan of Allen & Overy (Thailand) Co., Ltd., who would monitor the counting of votes at the Meeting.

The Chairman informed the Meeting regarding the documents to be used at this Meeting that all of them had been published on the Company's website since 18 March 2011 and were reported to the Stock Exchange of Thailand on that date. In addition, PTT made an announcement on its website inviting shareholders to propose additional business which they deemed important and appropriate to be included in the agenda of the Meeting and/or to nominate persons with suitable qualifications, consistent with the Company's criteria, to be appointed as directors. The announcement was posted from 28 October 2010 to 30 December 2010. However, no shareholder nominated any person and/or proposed any other agenda item as so specified upon an issuance of such announcement. In order for the Meeting to proceed smoothly, the Chairman then asked the Company Secretary, Mr. Attapol Lerkpiboon, to clarify the Meeting procedures of this Meeting.

Mr. Attapol Lerkpiboon, the Company Secretary, informed the Meeting of the voting procedures as follows:

- Each shareholder or proxy holder has a number of votes equal to the number of shares which the shareholder or proxy grantor holds. Each shareholder may cast votes of approval, disapproval or abstain, on each agenda item, equal to the number of shares held by them or the person who granted them proxy, using the ballot received on registration.
- In counting the votes, only the votes of disapproval and abstentions will be counted. Those who disapprove or abstain on each agenda item must raise their hand so that the staff may collect the ballots from them. The votes of disapproval or abstentions will then be deducted from the total number of votes cast by the shareholders present at the Meeting. The rest of the votes shall be treated as the votes of approval for that agenda. If the majority of the votes cast approve and are in accordance with PTT's Articles of Association regarding voting, it shall be deemed that the Company agrees or approves that agenda item, with the exception of agenda item 6 (Election of Directors) to replace the directors retiring from their position. For that agenda item, the disapproval or abstention ballots will be collected first and the ballots of all of those who vote for will be

collected thereafter. The votes shall be cast for each nominated candidate on an individual basis, in line with good practice for managing a shareholders' meeting. If shareholders wish to leave before the Meeting finishes or are absent during the consideration of any agenda item, they may exercise their rights by handing in their ballots in advance to the staff of their row.

Before casting a vote for each agenda item, the Chairman will give the shareholders an opportunity to ask questions relevant to that agenda item as appropriate. Shareholders who wish to ask questions are requested to stand state your name and surname before asking questions or giving opinions.

Furthermore, in case where shareholders asking questions in English, PTT has provided interpreters to translate questions/suggestions into Thai, then the directors/executive officers will answer to such questions in Thai in order to ensure mutual understanding of the Meeting. The interpreters will translate the answers into English to shareholders who ask the questions/make suggestions as well.

After the Meeting, PTT will collect all ballots from shareholders for PTT's safe record as evidence of votes casting at this Meeting. Shareholders are asked to fill in the questionnaire circulated upon the registration and return it to the staff at the exit so that PTT could receive feedback from shareholders in order to improve organising its general meetings in the future. The Chairman then declared the Meeting opened.

Accordingly, the Meeting was requested to consider the matters based on the meeting agenda for this Meeting, consisting of 8 agenda items in total, in the following order:

1. **To certify the Minutes of the 2010 Annual General Meeting of Shareholders held on 9 April 2010**

The Chairman informed the Meeting that PTT had sent the Minutes of the 2010 Annual General Meeting of Shareholders, held on 9 April 2010 (the **Minutes**), to all shareholders, together with the notice of the Meeting, which have also been published on the Company's web site. Accordingly, the Chairman asked the Meeting to consider and certify the said Minutes, unless any shareholder would like to propose any amendments to the contents of the Minutes. There was one shareholder giving his opinions as follows:

Mr. Rithichai Yipcharoenpon, I would like to give opinions as follows:
a shareholder:

1. The Minutes should reflect all substantial details of the clarifications that the board of directors of PTT has provided with respect to the matters discussed at that meeting
2. PTT's board of directors should ensure that the Minutes contain a summary of those matters or issues which were questioned or suggested by the shareholders to the board and the board has agreed to take them into consideration. In addition, in order to ensure transparency and good governance practice of the general meeting of PTT, the Minutes should specify opinions, process of judgment and reasoning on any matters as may be given by the board from time to time so that the shareholders are aware of such information and are able to follow up on an update on such a matter.

Acting Chairman:

The Chairman (as Acting Chairman) clarified that presently the Minutes has set out all reasonable details on those important issues. However, the Chairman agreed to take comments given by the shareholder for further consideration and assigned the Secretary to consider the shareholder's comments as above.

The Chairman asked whether there are any other questions or suggestions from the shareholders on the first agenda item. Since there are no further questions or comments, the Meeting was then asked to cast a vote on this agenda item.

Resolution: The Meeting certified the Minutes by passing a majority of the vote of the total number of shares by the shareholders present at the Meeting and eligible to vote. Details of the votes casted are as summarised below.

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,133,788,478	99.99
2. Against	17,895	0.00
3. Abstention	195,800	0.01

Remark: While the Meeting was considering this agenda item, additional shareholders were present with 77,885,149 shares.

2. **To acknowledge the 2010 operating results and approve the 2010 financial statements for the year ended 31 December 2009**

The Chairman informed the Meeting that PTT already sent the 2010 Annual Report, financial report and report on PTT Group's social accountability to all shareholders for information in advance. PTT presented a summary of the 2010 operating results through a twenty-six-minute video presentation, following which the President and CEO was asked to present a summary of other key information relevant to this agenda to shareholders.

President and CEO:

The President and CEO provided additional information as follows:

- In 2010, the operating results of PTT and its subsidiaries (**PTT Group**) in comparison with those in 2009 are further described as follows:
 - Sales revenue of Baht 1,900,000 million, representing 20 percent increase from 2009
 - EBITDA of Baht 167,376 million, representing 17 percent increase from 2009
 - Net profit of Baht 83,088 million, increased by Baht 23,540 million or 40 percent increase from the net profit of 2009. The improved net profit of PTT Group is due to the following factors:

- An increase in the selling price of oil products, the selling price of the gas separation plant's products and the average selling price of PTTEP products, which corresponded to the increase in oil prices and petrochemical products prices in the global market, plus an increase in sales volume of other products in every businesses of the companies in PTT Group:
- Income received by PTTEP as a payment of compensation of Baht 1,369 million from Montara oil field incident; and
- More profit margin gained from the investments by PTT Group in their affiliated companies, increased by Baht 225 million. This is mainly due to the following factors:
 - The operating results of the affiliated company in the olefins petrochemical business improved as a result of the corresponding increase in the spread margin (being the margin between the selling price of finished products and the price of the raw materials) in relation to most or all of the petrochemical products in response to an increased demand of those products after the global economic recovery.
 - However, the operating results of PTT's affiliated companies in refining and aromatics petrochemical business declined. This is because of the following factors:
 - ❖ Less profits gained from oil stock
 - ❖ Less profits gained from the hedging transactions
 - ❖ A decrease in the spread margin, in particular, in relation to paraxylene products.
- More gains from foreign exchange rates of Baht 11,855 million, increased by Baht 7,172 million from the same in respect of 2009.
- The financial positions of PTT Group as at 31 December 2010 are as follows:
 - PTT Group had the total assets of Baht 1,250,000 million, increased by 13 percent from the same in respect of 2009. This is due to the following factors:
 - : Current assets of PTT Group were Baht 364,341 million, representing an increase of 24 percent. This is due to the following factors:
 - Cash and cash equivalents, including temporary investment increased by Baht 44,557 million;

- Inventory and account receivables increased by Baht 18,150 million and Baht 11,517 million respectively; and
 - A decrease of other receivables, advance payments and short term loans by Baht 5,927 million. This is mainly because the outstanding amount of the receivables with respect to the accrued compensation of oil fund due but unpaid to PTT Group, decreased.
- : Property, plant and equipment was Baht 526,796 million, representing an increase of 11 percent. This is mainly due to the following factors:
- Net assets for use in petrochemical exploration and production activities increased by Baht 19,268 million from Bongkoch Project, Artit Project and PTE-Australasia Project;
 - Various projects of PTT Group emerged from the Gas Separation Plant 6, Ethane Gas Separation Plant and the Gas Pipeline no.4, representing an increase of Baht 13,645 million;
 - Sea Port Project and Liquid Natural Gas Terminal Project (developed by PTTLNG) emerged, having the total value of Baht 10,535 million;
 - Construction project of PTT Asahi Chemicals having the value of Baht 3,874 million; and
 - Construction project of PTT TANK in relation to Ammonia and Storage Tank and Facilities in the amount of Baht 2,810 million.
- Total liabilities were Baht 677,835 million, increased by 12 percent. This is due to the following factors:
 - Increase in current liabilities by approximately Baht 53,649 million in response to an increase in trade accounts payable, estimated liabilities in connection with short-term credit facilities for the removal costs of short-term production equipment, deferred corporate income tax and deferred expenses; and
 - Long term loans (including long-term loans due in a one-year term) were Baht 370,989 million. This is mainly due to the issue of PTT Baht bonds of Baht 20,636 million and the provision of USD credit facilities of Baht 9,802 million including

the issue of PTTEP USD bonds of USD 700 million.

- The shareholders' equity was Baht 571,313 million, representing an increase of 14 percent from the same as at the end of December 2009. This is mainly due to more net profits gained in 2010.
- Regarding the financial structure, it was apparent that PTT has maintained its financial strengths, whereas
 - : The net debt to equity ratio of PTT was 0.40 : 1 (provided that according to PTT's policy, the net debt-to-equity ratio shall be lower than 1);
 - : The net debt to EBITDA of PTT was 1.4 times (provided that according to PTT's policy, the net debt-to-EBITDA ratio shall be lower than 2); and
 - : The competency level to pay interests was 11 times

Remarks: the above financial ratios were calculated in accordance with the Securities and Exchange Commission (SEC)'s requirements.

- According to the 2010 Annual Report, financial statements and financial reports (copies of which were sent to you along with the Notice of this Meeting) as well as the summary of PTT's 2010 operating results as presented at the Meeting in the video presentation and the summary of other key information which was presented to shareholders above.
- The Meeting was asked to acknowledge the report on the 2010 operating results of PTT and to consider and approve the audited financial statements for the year ended 31 December 2010, as well as the auditor's report, which has been audited by the auditor as reasonably required in accordance with the applicable generally accepted accounting principles as further described in more details in the 'Financial Report' as part of the Annual Report.

Acting Chairman:

The Chairman asked if the shareholders had any questions or would like to give any suggestions.

Mr. Chatri Charoenneoung,
a shareholder:

I would like to commend PTT for holding a great AGM and also Mr. Prasert Bunsumpun, the President and CEO of PTT for 2 consecutive times, for his experiences, visions and competencies contributed to PTT. His contributions have played significant part in the company's success and have brought prosperity to PTT, leading PTT to be recognized as a world-class organization, which have ultimately provided great benefits to our country.

This year will be the last term of his services. On behalf of the minority shareholders, I would like to give Mr. Prasert a flower bouquet as a way to express our gratitude. Also, I would like the shareholders to stand and applause Mr. Prasert.

Acting Chairman:

I thank the shareholders for their kindness to Mr. Prasert. Furthermore, I would like to ask whether there are shareholders who wish to ask questions or give suggestions.

Mr. Thong-in Saenggam,
a shareholder:

I would like to commend and thank Mr. Prasert for his contributions to PTT's businesses which help PTT succeed in gaining more profits. Moreover, I would like to ask and suggest as follows:

1. I would like to ask whether the shareholders are requested to “acknowledge” or “certify” the Annual Report. According to the Notice of this Meeting, it is specified as “consider and certify”, whereas the Meeting is “acknowledge”, therefore, an amendment should be made.
2. Although PTT had gained an increased profit of approximately Baht 83,000 million which is more than the profits generated in 2009, PTT could have raised more profits by expanding production capacity and reducing the company expenses, for instance, the directors' allowance and other expenses relating to directors' benefits so that PTT could distribute more dividends to shareholders. The enterprise value will then be increased which will enhance the value of PTT's shares to be more attractive to investors.
3. I would like to know about the measures and policies that PTT would implement to cope with a increase in oil prices in the global market in response to the world economy recovery. This is because an increase in global oil price affects the domestic market as the retail oil prices would increase. Lastly, I would like PTT to support the consumers as well as the shareholders so that PTT will lastingly remain with Thai people.

**Pol.Col. SermKiat
Bumrungpruek,**
a shareholder:

I would like to give opinions and suggestions as follows:

1. Regarding the management of “risks arising from political instability and changes of legislation” as specified in report on social responsibility page 39:
 - The implementation of semi-enforcement intervention measure on energy prices from the government, in particular, in relation to the stabilization of LPG and NGV selling prices. LPG sellers are obligated to set different retail prices among groups of customers. Additionally, changes in stabilization procedures of diesel selling price, which the cabinet is going to consider today, by applying deduction of excise duty instead of government subsidies in the form of contributions from oil fund will have an

impact on PTT's management operations to board of directors and every shareholders, for instance:

- The shareholders are affected due to the losses of income. Consequently, PTT is deprived of the opportunity to raise profits worth relatively billion Baht.
 - Stabilization of LNG and LPG selling prices is unfair to various classes of occupations where each class has different income.
 - By claiming such changes would help supporting the cost of living, however, it is still prejudiced to benzene and gasohol consumers as they are obligated to pay taxes for subsidizing other oil products. Despite the rational reasons given, I still would like to know whether there are other alternative methods that could support the cost of living.
- PTT has to comply with the semi-enforcement measure regardless of how competent PTT managing division is. Since the oil prices have an impact on consumers, therefore, PTT should request the authority to consider the measures to be implemented carefully regarding this matter by taken into consideration the effect on the society and other alternative methods that do not affect shareholders and shareholders' benefits in the listed companies.
 - The government should amend the guidelines on energy prices setting by comparing energy prices in Thailand with neighboring countries' GDP per capita i.e. Malaysia, Singapore, China, Japan, Korea and India. This is to maintain fairness of the society.
2. Even though it is considered appropriate for PTT to invest in foreign countries through its associated companies, but such investment requires great deal of investment funds nonetheless. Referring to my suggestion given in previous meeting, a risk management mechanism is crucial in order to monitor the foreign investment, including indicator. Last but not least, I would like to commend PTT on its closely monitor, however, it should pay attention particularly in the following projects:
- Investment in coal mine business where there is opposition from environmental conservationists
 - Regarding an incident in Montara, Australia which PTTEP is concerned, I would like to know how it will affect Indonesia and whether remuneration be paid or not.
 - Investment in Egypt where there is political disturbance in the Middle East.

- Investment in Oil Sand Project in Canada accounted a large amount of investment fund.
3. Due to numerous natural disasters occurring around the world such as earthquakes, tsunamis in several countries, which were the consequences from imbalance of the nature caused from our excessive use of natural resources, therefore I would like PTT to explore for other alternative energy resources beforehand.

Acting Chairman:

As there are other remaining agenda items needed to be considered in the Meeting, therefore, I would like to limit the duration of each shareholder to ask questions or give suggestions up to no more than 3 minutes. In addition, please ask questions relevant to the issue being discussed in the agenda.

Mr. Basant Kumar Dukar,
a shareholder:

(asked in English) In summary, the shareholder would like to commend Mr. Prasert for his successful performance in mergers and acquisitions of business in various projects, as well as the conversion of PTT from state enterprise to public company. The shareholder also gave suggestions as follows:

1. Ministry of Finance should reduce its ownership of PTT's shares to 49 percent in order to minimize the regulations that PTT has to comply with as a state enterprise. This will increase flexibility in the expansion of business.
2. The shareholder would like to commend that PTT has a favorable cash flow management, together with higher volume of inventory, the balance of trade accounts payable and account receivables. Nevertheless, PTT should provide a risk management mechanism in order to cope with the potentially decreasing of oil prices, which may resulted in higher inventory cost.

Acting Chairman:

I would like Mr. Prasert to explain the shareholder's question.

President and CEO:

I would like to explain as follows:

1. Regarding the second agenda item, the question presented was whether the shareholders are requested to "acknowledge" or "certify" the 2010 Annual Report, I would like to clarify that it is to acknowledge the 2010 Annual Report, as well as to consider and approve the financial statements for the year ended 31 December 2010.
2. Regarding the suggestion that PTT should increase production and reduce expenses in order to raise higher net profits, I would like to clarify that PTT also has the same goal. PTT has been carefully controlled the expenses while strived for higher revenue by increasing the production. Obviously, after the global economic crisis in 2008, PTT was able to advance profits from approximately of Baht 51,000 million in 2008 to Baht 59,000 in 2009 and Baht 83,000 million in 2010. Evaluating from present circumstances, the operating results is

expected to be more preferable in 2011 if nothing has considerably changed later on.

3. Regarding to the question concerning PTT's protective measures to cope with an increase of oil prices, I would like to explain that an increase of oil prices in global market was a repercussion of incidents happening around the world. Essentially, the main factors are political insurgency in the Middle East such as in Egypt, Libya and Yemen where the people are struggling to oust their governments and leaders. Consequently, it is expected that oil products exporting from the Middle East to the world market may be lessen. As for Thailand, domestic prices are adjusted depending on the market mechanism which would reflect the world market prices and business competition, leaving aside diesel selling price which the government had locked to Baht 30 per liter by withdrawing money from oil fund to subsidize. Along with, PTT will consider measures on deduction of excise duty, excluding of cooking gas that the government has still fixed its price. In consequence, fluctuations over oil prices are reflected the production cost of oil prices in the global market. Therefore, PTT will carry out business with efficiency and low production cost, as well as setting fair prices for the customers.
4. Regarding suggestions given by Police General Sermkiat and Mr. Basant Kumar Dukar concerning a risk management on political instability and changes of legislations, which may have an influence over PTT's business operation, I would like to assert that PTT is well aware of such risks. In the issue concerning the locking of NGV and LPG selling prices by the government that were below the production cost, PTT has to expand its NGV network and take on such losses all along.
 - NGV: PTT, with Ministry of Energy, had conducted a research on the real production cost of NGV. The result is that NGV's production cost was around Baht 14-15 per kilogram which was still below the production cost. Therefore, NGV selling price would have to adjust gradually to match the real production cost. Currently, NGV selling price is Baht 8.50 per kilogram with subsidy from oil fund by Baht 2 per kilogram which is Baht 10.50 in total. Nevertheless, the price is below the production cost, thus PTT still has to take on the losses. In comparison with current diesel selling price supposing there is no price intervention from the government, the price will be Baht 36 per liter. While NGV selling price is Baht 8.50 per kilogram, equal to relatively Baht 8-9 per liter. With regards to NGV production cost at approximately Baht 14-15 per kilogram or per liter, if PTT were to set its price equal to the production cost, the NGV selling price is still lower than diesel selling price which is practicable and fair to all parties concerned. PTT board of directors had discussed and came to the conclusion that PTT shall submit a formal notice to the Ministry of Energy informing that PTT had

encountered with continuous losses. As the demand of NGV products were increasing and more NGV gas stations were needed to be constructed, losses would be too much for PTT to bear if there would be no action come up against. Presently, PTT are in coordination with the government in order to obtain permission to adjust NGV selling price.

- LPG: The government had fixed LPG ex-works price rather low and did not adjust the price of Baht 18 per kilogram for the past 6-7 years. Throughout the time, there were higher demand of LPG in transportation sector, industrial sector, as well as household, while some were illegally exported to neighboring countries. In addition, due to the higher cost of crude oil, LPG refineries could not meet the break even point so they had to use LPG they produced to fueled the refineries. This was resulted in the short supply of LPG products in the domestic market, so we had to import the gas from other countries at higher price but domestic selling price was fixed to below the real production cost, therefore the government had to withdrew money from oil fund to subsidize the cost. In 2010, more than Baht 20,000 million were withdrew. We estimated that in 2011, no less than Baht 20,000-30,000 would be allocated to subsidize LPG. We believed that the government will gradually increase the LPG ex-works price in order to motivate the refineries to produce more LPG to the market. Still, we have to import gas because current LPG products in the country are insufficient. Recently, the government has assigned a consultant to analyze the production cost at the gas separation plant whereby the result was that the production cost was outweighed the price that the government had fixed. We estimated that there will be a price adjustment in order to meet fairness to every parties concerned.

PTT, as a public-private organization, has various obligations compared to a single-status organization such as fostering the country's energy security through means of compliance with the government policy relating to the selling prices of NGV and LPG whereby PTT must carry out business as profitable to both major and individual investors by paying appropriate amount of dividends, returning of suitable stock price, including the coordination with every shareholder in order to sustain acceptance and fairness.

5. I would like to clarify issue concerning the investment in other countries that each project requires large amount of investment and some of them are new to PTT. Therefore, PTT board of directors gives such issue as priority and would attentively consider every investment in the projects, backed by an exceptional risk management mechanism, plus providing the committee to monitor and evaluate each project. Nevertheless, the management division would take this suggestion to tighten the operation henceforth.

- PTTEP's Oil Sand Project in Canada: A joint-collaboration between PTTEP and Satoil, a successful Norwegian state enterprise who is the owner of concession, to explore an investment opportunity in Oil Sand, Canada, the world's second oil reserve. PTTEP has never invest in this project, where it requires large investment, in Canada before. Process of oil refinery in the project is to separate oil from sands by use gas to boil water into steams. By compressing steams into the subterranean soil, heavy oil will be separated and sunk down, then pump the heavy oil up, blending with light oil before transferring through pipelines in order to sell in the United States. PTT and PTTEP had been considered and studied, with cooperation from a world-class consultancy firm. We estimated that the project will provide favorable long-term revenues and there is still plenty of reserved oil. Currently, the production had commenced by gradually increase the production of oil products.
- PTTEP's Montara Project in Australia: The production of crude oil could be commenced by the end of 2011. At present, Australia permitted PTT to continue the project under the condition that PTT must closely monitor the operation to be in order within 1 year. In addition, Australia did not claim for a compensation relating to the oil spill incident. As for Indonesia, the matter is not settled yet as we are still under the negotiation and discussion with the injured parties. We believed that Indonesia did not suffered from a severed oil spill as reported in the news because the oil leaking was very small and the distance between Montara Oil Field and Indonesia was faraway, so most oil was evaporated by the time it reached Indonesia.

I would like Mr. Tevin, our Chief Financial Officer, to clarify the question from Mr. Basant Kumar Dugar.

CFO:

I thank Mr. Basant Kumar Dugar for the suggestions he gave. Further, I would like to explain as follows:

1. Risk management mechanism against the energy price fluctuations from energy price crisis 2 years ago which caused the inventory loss: Currently, PTT and its subsidiaries are monitoring inventory management attentively by reducing the inventory turnover period from 20 days in 2009 to 17 days in 2010, and using other risk management tools as well.
2. Referring to suggestion relating to cash flows, PTT had successfully managed cash flows in the operation as presented in the statement of cash flows. In 2010, cash flows was increased at the amount of Baht 30,000 million from a good management of working capital. This was resulted in a stronger cash flows and will lead to better administration in the future.

Acting Chairman: Later on, I wish the shareholder would ask different questions which related to the issue being discussed.

Mr. Krerk Samonthum,
a shareholder: I would like the shareholders to applause PTT board of directors, Mr. Prasert, and every PTT staff for making PTT a profitable business. Further, I would like to give suggestions as follows:

1. PTT should provide a summary of its operating results in the blank pages of the Annual Report in order to advertise PTT's achievements as a state enterprise and a multi-national energy corporation, with one page published the works served for the country and the other the works as a cross-border energy corporation
2. PTT should provide a bar chart presenting percentage of company growth compared against last year in the table of financial statement enclosed in the agenda item 2 of the Notice.
3. I would like to inquire whether the PTT's increased total revenue was resulted from an increase in product prices or sales volume.

Acting Chairman: I would like the management division to oversee the suggestions. Also, I would like Mr. Prasert to clarify a question presented.

President & CEO: I would like to explain that PTT had gained increased revenues as a result of an increase in product prices and sale volume of every group of products, including by way of the expansion of investment. Accordingly, I would like Mr. Tevin, our Chief Financial Officer, to clarify this matter in detail.

CFO: I would like to clarify that in 2010, the natural gas business had a sale volume of 4,046 cubic foot per day, an increase of 13 percent from 2552, due to recovery in the industrial section, a warmer climate which raise demand in energy, and an increased of gas supply. The sale volume of products from the gas separation plant was at 4,279,036 tons per year, an increase of 2 percent. The sale volume of refined oil from oil business was at 14,000 million liters per year, an increase of 7 percent from 2009. Trading volume was at 63,675 million liters per year or approximately 1.2 million barrels per year, an increase of 6 percent from 2009.

Mr. Sarach Chockjamsai,
a shareholder: I would like to commend every directors and executive officers of PTT and inquire the Nominating Committee concerning the matter concerning the term of services of Mr. Prasert which will expire by the end of September 2011. The questions are who will be the members of the CEO Nominating Committee and what principles and procedures would the Committee adopt in nominating candidates.

Acting Chairman: I would like Mr. Krairit, Chairman of the CEO Nominating Committee, to explain.

Mr. Krairit Nilkuha,
Director / Member of the
Remuneration Committee:

I would like to explain that PTT had appointed the CEO Nominating Committee, comprising 5 members as follows:

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| 1. Mr. Krairit Nilkuha | Director General of Department of Alternative Energy Development and Efficiency.
(Representative of Ministry of Energy) | As the Chairman of the Committee |
| 2. Mr. Naris Chaiyasoot | Director of Fiscal Policy Office
(Representative of Ministry of Finance) | As a member of the Committee |
| 3. Mr. Nontigorn Karnchanachitra | PTT Independent Director | As a member of the Committee |
| 4. Mr. Anuwat Mayteewibulwut | PTT Independent Director | As a member of the Committee |
| 5. Mr. Watcharakiti Watcharothai | PTT Independent Director and a member of the Nominating Committee | As a member of the Committee and Secretary of the Committee |

Resolution: The Meeting resolved to acknowledge PTT's operating results of 2010 financial year, and to approve the financial statements for the year ended 31 December 2010, by passing a majority of the vote of the total number of shares cast by the shareholders present at the Meeting and eligible to vote, as detailed as follows:

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,158,717,729	99.99
2. Against	31,505	0.00
3. Abstention	190,001	0.01

Remark: While the Meeting was considering this agenda item, additional shareholders were present with 24,937,062 shares.

3. To approve the appropriation of the 2010 net profit and dividend payment

Acting Chairman: The Chairman stated to the Meeting that the President and CEO would explain this matter to the Meeting.

President and CEO:

I would like to explain as follows:

- In the appropriation of the annual net profit of 2010 equal to Baht 83,088 million, PTT set aside Baht 16 million as reserve for a non-life insurance fund. No additional amount was set aside as statutory reserve because PTT's existing statutory reserve is equal to 10 percent of its registered capital as required by law. As a result, the net profit after the appropriation of reserve funds is Baht 83,072 million.
 - PTT has appropriated a net profit of Baht 83,088 million is equivalent to Baht 29.26 per share from the 2010 operations, which is an increase of 40 percent compared to the operating results in 2009 in which the net profit was Baht 59,548 million, which was equivalent to Baht 21.06 per share. Therefore, PTT Board proposed the payment of dividend for the 2010 operating results at Baht 10.25 per share, divided into:
 - interim dividend payment in respect of the operating results for the first half of 2010, at the rate of Baht 4.75 per share, amounting to a total of Baht 13,499 million, paid on 24 September 2010; and
 - dividend payment in respect of the operating results for the second half of 2010 to PTT shareholders whose names were in the share register on the record date set for determining the shareholders' entitlement to dividend payment on 17 March 2011, at the rate of Baht 5.50 per share, amounting to a total of Baht 15,670 million, due on 13 May 2011.
 - The payout ratio was equal to 35 percent of PTT's net profit (whereas PTT's policy on the payout ratio is not less than 25 percent). In other words, the yield rate was equal to 3.2 percent of the price of PTT shares as at the end of 2010, i.e. Baht 320 per share.
 - This resulted in PTT paying the interim dividend at Baht 4.75 per share from the accumulated operating profit as follows: i) an amount of Baht 2.75 per share was paid from the operating profit which is subject to 25percent tax, and ii) an amount of Baht 2.00 per share was paid from the operating profit which is subject to 0percent tax.
 - The dividend in respect of the operating results for the second half of 2010 at Baht 5.50 per share was paid from the accumulated operating profit as follows: (i) an amount of Baht 5.11 per share was paid from the operating profit which is subject to 30percent tax, and (ii) an amount of Baht 0.39 per share was paid from the operating profit which is subject to 0percent tax.

Acting Chairman:

The Chairman asked whether any shareholders wished to ask questions or express opinions.

Mr. Surasak Korprakong,
a shareholder:

I would like to suggest that PTT should make the annual dividend payment at Baht 11.90 per share or 40 percent of the net profit for the following reasons:

1. In the past 9 years, PTT has made an average dividend payment at 33.63 percent per year. If we consider the operating results of the year 2009 and 2010, we will find that PTT's sales have grown and earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 17percent from Baht 142,704 million in 2009 to Baht 167,375 million in 2010 with a net profit which increased by 40percent from Baht 59,458 million in 2009 to Baht 83,088 million in 2010. However, the PTT Board proposed to pay the annual dividend for 2010 at Baht 10.25 per share which is only a 20percent increase from 2009 which was paid at Baht 8.50 per share in comparison to the 40percent increase of the net profit. The dividend payment for 2010 at 35.03 percent of the net profit is lower than the profit growth. Therefore, PTT should consider increasing the dividend payment to be in accordance with the increased net profit.
2. Even though PTT will use the remaining net profit after dividend payment to invest in the expansion of the business, when we consider the investment information which was disclosed at an event showing PTT's investment plans for the next 5 years at Baht 327,038 million, it is lower than in 2009 and PTT can use the accumulated profit which has not yet been appropriated into specific business at approximately Baht 200,000 – 300,000 million for investments. Such amount should be sufficient for the investments. Therefore, PTT can consider paying more dividend. Moreover, if we consider PTT's yield rate disclosed by the Stock Exchange of Thailand (SET) in 2009 was equal to 3.24percent and in 2010 was equal to 2.67 percent, it was lower than the inflation rate which was at 3.28 percent in the same year.
3. PTT has huge amount of revolving capital from both short term and long term loans. In 2009, PTT received Baht 257,000 million from loans and Baht 266,000 million in 2010. Such amount, together with the accumulated profits which have not yet been appropriated to specific businesses in no. 2 above, will total to more than Baht 500,000 million for investment.
4. The shareholders invest in the company with the expectations of receiving an increasing amount of dividend and share value. You should therefore consider the method of calculation to determine dividend payment to be the prospective profit divided by invested share price and deducted with the growth rate. I therefore ask for the

shareholders who do not agree with the dividend payment rate proposed by the PTT Board to vote against this agenda and ask for an increase of dividend payment from Baht 10.25 per share to Baht 11.90 per share.

Acting Chairman:

I would like to ask the shareholders to not repeat issues already inquired to shorten the time of the meeting.

Mr. Jakrapol Saelee,
a shareholder:

I would like to ask about the details of the numbers of the accumulated profit which have not yet been appropriated for 2010 in the amount of Baht 425,441 million, regarding the tax rates in which the profit was subject to and the amount for each type of tax as well as the ratio per share.

Mr. Thong-in Saengngam,
a shareholder:

I would like to suggest that the dividend payment for the last 6 months be increased from Baht 5.50 per share to Baht 6.00 per share, which is an increase by Baht 0.50 per share, so that the Ministry of Finance, a major shareholder, may use PTT's dividend to develop the country.

Acting Chairman:

I would like Mr. Taewin to explain this matter.

Chief Financial Officer:

Your suggestion was very welcome. I would like to explain as follows:

1. The yield for the shareholders may be divided into two parts:

- The annual dividend payment which PTT pays twice per year. Although PTT's policy on the payout ratio is not less than 25 percent of the net profit, PTT has always paid out more than 30percent and has tried to pay dividend at a continuously growing rate. In both 2008 and 2009, there was a crisis in energy prices which resulted in a substantial decline in operating results and net profit of PTT but the PTT Board has decided to pay dividends at a ratio higher than normal so that the shareholders would receive dividend in the amount which was not significantly different from previous years. This causes PTT to have an increased payout ratio in 2008 and 2009 equal to 40 percent. In 2010, PTT had better operation results and an increased net profit of approximately 40percent,the PTT Board deemed it appropriate to pay out dividend at the ratio equal to 35percent which is a high ratio when compared to the period before the crisis.
- Capital gain is the benefit gained from the growth of the organization that reflected in the increased share value. At the start of 2010, PTT share was at Baht 246 each and at the end of 2010, the share price was at Baht 320. The capital gain, therefore, increased by over 30 percent.

Therefore, the dividend yield for shareholders who bought PTT shares at the beginning of 2010 at the approximate price of Baht 250 would have a yield rate of over 4 percent whereas

those who bought shares at the end of 2010 at the approximate price of Baht 300 would have a yield rate of over 3.2 percent. If we compare the payout ratio of PTT with other listed companies, we will find that the rate is similar. Very few companies had a yield rate of more than 10 percent and such companies did not have any additional investment expansions. Moreover, if the current share price of today is considered, i.e. Baht 381, it has increased significantly from the start of 2011. I would like the shareholders to be assured that the PTT Board and executives will consider opportunities in which PTT may expand its business growth further to add more value to the organization, cause PTT's share value in the SET to increase together with paying dividend in the appropriate amount to shareholders each year.

2. Accumulated profit and tax rates: PTT has accumulated profit as appeared on the balance sheet of over Baht 400,000 million, from which PTT will use in its continuous investments to build up more profit and increase operating results. Approximately half of PTT's accumulated profit is the profit that is not subject to tax or is subject to tax but could not be asked for a tax refund. Most of the profit is subject to 30 percent tax and a small amount is subject to 25 percent and 15 percent tax. Some of the profit was received prior to the transformation of PTT which was not subject to any tax. PTT therefore considered to pay the 2010 dividend from the profit subject to 30 percent tax which the shareholders can then benefit from tax credit.

As for the small part of dividend which is subject to 0 percent tax, it is the profit gained from PTT's business under the BOI promotional privileges under the BOI promotion which must be paid out before the privileges are lost. In this case, the shareholders do not have to include this amount in their tax payment.

Mr. Jakrapol Saelee,
a shareholder:

I propose to use all the profit subject to 30 percent tax to payout dividend.

**Mr. Rittichai
Yipcharoenpron,**
a shareholder:

I would like to inquire and suggest as follows:

1. How much loss did PTT incur from the state policy to intervene energy price and how much subsidy was given as compensation?
2. I would like to suggest PTT to make a notice sign at the NGV stations stating the retail price and actual cost so that the customers are aware of and understand that PTT has good governance and takes care of its shareholders.

Mr. Chatchai Khunngam,
a shareholder:

I would like to congratulate Mr. Norkhun, the director of PTT, for his new position as the Permanent Secretary of the Ministry of Energy and would like to suggest as follows:

1. In its search for the CEO of PTT, I would like to ask the Nominating Committee to consider, select and filter individuals who are knowledgeable, equipped, professional and has good vision as well as honesty and integrity to be CEO of PTT which is an organization that gives pride to the peoples of Thailand.
2. I would like to suggest that PTT take caution during the election period because it may be used as a tool in publicity campaigns and should engage in active publicity to retaliate against the groups with bad intentions that distort facts and attack PTT to cause damage. For example, in the case where a politician attacked PTT through the media by stating that PTT has a profit of Baht 100,000 million when in reality, PTT has not gained a net profit over Baht 100,000 million in the past many years. Also, in the debate of the House of Representatives, it was claimed that PTT took the peoples' tax money to buy businesses outside Thailand at an overpriced rate when in fact, commercially, the total asset value and goodwill value of the company must also be taken into consideration as well as the fact that there was a financial expert who has accessed the value of the business. Thus, if there is active publicity, it will allow the public to have the correct understanding similar to the case where people are starting to understand why domestic oil prices must depend on the ex factory price of the Singaporean refineries.

Acting Chairman:

Seeing that the meeting has now delayed to almost noon, I would like to ask the next shareholder to be the last one for this agenda.

Pol. Col. Sermkiet Bumrungpruek:

I would like to make the following suggestions:

1. The PTT Board should take various factors into consideration in determining the payment of dividend, i.e. the existing accumulated profit, the profit from operating results which have not been paid out as dividend and the outstanding debts of the government.
2. The reported numbers of the profit from the PTT operating results did not include the debt which the government still owes PTT from its energy price intervention. I would like to ask PTT to demand payment from the Ministry of Finance. If the government does not pay its debts, I would like to ask the shareholders to take legal action as joint plaintiffs on behalf of PTT to ask for the government to pay its debt because it is taking advantage of the society and minority shareholders.
3. Once PTT receives the operating results of the first quarter of 2011, it should be included in the calculation of the dividend payment and PTT should make interim dividend payments quarterly like some of the other listed companies.

Acting Chairman:

I would like to ask Mr. Prasert to explain this matter.

President and CEO:

I would like to explain as follows:

1. The effect from the intervention of NGV price has been continuous for the past 4-5 years which caused PTT an accumulated loss of approximately Baht 27,000 million and Baht 7,300 million more for the year 2010. We expect that the year 2011 will incur more loss close to the amount in 2010. The PTT Board and management are aware that such accumulated loss will affect PTT and even more so if PTT makes vast expansions in the business. As for Mr. Rittichai's suggestion regarding the disclosure of actual NGV cost at petrol stations, it is a good suggestion and the management will take it into consideration for further actions.
2. I would like to thank Mr. Chatchai for his suggestion on active publicity. Due to the fact that PTT is a big organization with a status of a state enterprise and is the number 1 company in the SET to have the highest assets and sales, it is therefore a target for criticism from various groups and is implicated from time to time. The PTT Board and management are well aware of this matter and have set out a business guideline that not only should we work efficiently, we must also have good governance, take responsibility for the society, the community, the environment as well as all the shareholders. In order to achieve such goals, PTT must be a good and great company so as to have sustainable growth together with Thailand and obtain appropriate yield for the shareholders. I therefore would like to thank the shareholders for their great and continuous support. Today, PTT would like to give the shareholders who are present today a book on "Good Governance" which contains a compilation of information regarding the energy business and PTT so that you may be aware of the key issues which are usually asserted against PTT, so that you may use it to clarify others who do not understand.

As for the debt of the government arising from the energy price intervention, it is not a substantial amount and the government have been gradually paying off its debt to PTT. Mr. Taewin will explain more on this matter.

Chief Financial Officer:

I would like to explain that the debt that the government must repay PTT is divided into two parts, i.e. the compensation for LPG imports and compensation for NGV prices at approximately Baht 7,000 million per year which PTT has already acknowledged the outstanding debt from the government as income and we believe that the amount will be fully repaid.

As for the dividend tax rate which Mr. Chakrapol has suggested us to use all of the profit subject to 30 percent tax to be paid out as dividend, I would like to explain that PTT must make dividend payment from the profit which came from the business under the BOI promotion in the amount of Baht 0.39 per share before the

privilege ends. Mr. Pichai will explain further on the issue regarding accumulated profit.

Mr. Pichai
Choonhawachira,
Director:

I would like to explain the claim that PTT has a profit of approximately Baht 100,000 million. The fact that PTT is a big company that has many subsidiaries makes the financial report much more complicated than other general companies. The fact is that the profit and loss balance sheet includes the profit of PTT and also all the profit incurred in companies which PTT holds more than 50 percent in accordance with the International Accounting Standard. The numbers of the profit shown on the profit and loss balance sheet is PTT's profit consolidated with the profit of its subsidiaries which will be Baht 99,000 million. As for the net profit numbers appeared on the consolidated financial statement which calculates dividend from the companies in which PTT holds shares is equal to Baht 83,000 million. As for the accumulated profit numbers that the shareholder asked to be paid out as dividend, I would like to explain that it is true that PTT has a consolidated accumulative profit of approximately Baht 400,000 million, but PTT is required by law to only pay dividend from PTT's own profit. PTT will only be able to use the accumulated profit to pay dividend when PTT has actually received dividend payment from its subsidiaries. Therefore, the accumulated profit which PTT may appropriate as dividend is Baht 251,000 million as appeared on page 6 of the 2010 financial statement.

Acting Chairman:

Are there any other shareholders who wish to ask or express their opinion on Agenda 3? If no other shareholders wish to ask or express their opinion, may I ask the shareholders to vote on this matter.

Resolution:

The Meeting resolved to approve the appropriation of the annual net profit of the year 2010 and dividend payment by a majority vote of the total number of votes cast by the shareholders present at the Meeting and eligible to vote, as detailed as follows:

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,161,850,897	99.97
2. Against	439,762	0.02
3. Abstention	143,636	0.01

Remark: While the Meeting was considering this agenda item, additional shareholders were present with 3,495,060 shares.

4. To appoint an auditor and to determine the auditor's fees for 2011

The Chairman asked Mr. Chaikasem Nitisiri, an independent director and Chairman of the Audit Committee, to present the details of this business to the Meeting.

Mr. Chaikasem Nitisiri,
Independent Director and

I would like to clarify as follows:

Chairman of the Audit Committee:

Under section 120 of the Public Limited Companies Act, B.E. 2535 (1992), each annual general meeting of shareholders must appoint an auditor and determine the auditing fee every year. An existing auditor may be re-appointed.

Under Clause 12.4, Chapter 4 of PTT's regulations on the rules and procedure of the Audit Committee, B.E. 2544 (2001), the Audit Committee has the duty to nominate an auditor for further appointment and to propose the auditor's fee.

Under the Organic Law on State Audit, B.E. 2542 (1999), the Office of the Auditor General of Thailand (the **OAG**) is the auditor of all government agencies, including state enterprises.

The OAG has been PTT's auditor since PTT was the "Petroleum Authority of Thailand" and became PTT Public Company Limited. In 2010, the annual general meeting of shareholders approved the remuneration for the OAG (i.e. the auditing fee) of up to Baht 3,265,000 exclusive of expenses such as work-related travel expenses, overtime and other out-of-pocket expenses, in the amount not exceeding Baht 2,000,000.

For 2011, the OAG proposed the auditing fee of Baht 3,840,000, increasing by Baht 575,000 or 16 percent from the previous year, exclusive of other related expenses, in the amount of not exceeding Baht 2,000,000.

The OAG proposed an increase in the auditing fee against 2010 due to certain changes in the transaction to be audited and certified as follows:

Item 1: Auditing and producing financial statement need to be in accordance with Thai Financial Reporting Standards: TFRS which the Federation of Accounting Professions translated such standards from the International Financial Reporting Standards: IFRS and shall be in effect from 2011 onwards.

Item 2: New three BOI certificates which are Ethane Separation Plant Project, Combined Cycle Power Plant Project for the purpose of generating electricity and steam for Bangchak Refinery, together with Energy and Environment Efficiency Improvement Project have been granted.

The appointment of auditor and the amount of remuneration as stated have been approved by the Audit Committee Meeting No. 10/2553 held on 9 December 2553(2010) and by PTT Committee Meeting No. 1/2554 held on January 21, 2554(2011).

Therefore, I would like to propose that the Meeting consider and approve the appointment of the OAG as PTT's auditor for the financial year ended 31 December 2011 and the auditor's fee of Baht 3,840,000, as approved by the Audit Committee

Acting Chairman:

The Chairman asked whether any shareholders wished to ask

questions or give opinions relating to this business.

Mr. Pitak Sudjaipraparat, As the progress of this meeting is very delay, the Chairman should
a shareholder: please conduct the meeting more concisely.

Acting Chairman: The Chairman asked whether any shareholders wished to ask questions or give opinions relating to this business. As no one asked questions or gave opinions, the Chairman requested that the shareholders vote on this matter.

Resolution: The Meeting resolved to approve the appointment of the OAG as the auditor and the auditor's fee for the year 2011 by a majority vote of the total number of votes cast by the shareholders present and eligible to vote, as detailed as follows:

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,159,271,218	99.83
2. Against	2,986,657	0.14
3. Abstention	213,220	0.01

Remark: While the Meeting was considering this agenda item, additional shareholders were present with 36,800 shares.

5. To consider the board of directors' remuneration for 2011

The Chairman asked Mr.Nontigorn Kanchanachitra, an independent director and Chairman of the Remuneration Committee to present the details of this matter to the Meeting.

**Mr.Nontigorn
Kanchanachitra,**
Independent Director and
Chairman of the
Remuneration Committee:

I would like to explain as follows:

This year, with the proposal by the Remuneration Committee, PTT's board of directors has determined remuneration for directors based on the former criteria (i) comparing with other listed companies which are in the same industry and have the same size of business as PTT, and (ii) considering the operating results, size of business, responsibility of the board of directors and the suitability with the economic situation. As a result, it was proposed that the directors' remuneration for the year 2011 remain the same as that of 2010. The remuneration is divided into two parts as follows:

1. Meeting allowance for 2011 (same as 2010)
 - 1.1 Meeting allowance for the PTT board of directors:
 - Monthly allowance: Baht 30,000 per month
 - Meeting allowance: Baht 20,000 per meeting (for those who attend the Meeting only)
 - 1.2 Meeting allowance for meetings of other committees appointed

by the PTT board of directors:

1.2.1 Audit Committee:

- Monthly allowance: Baht 15,000 per month
- Meeting allowance: Baht 15,000 per meeting (for those who attend the Meeting only). The secretary shall receive monthly allowance of Baht 7,500 per month

1.2.2 For other committees, i.e. the Nominating Committee, the Remuneration Committee and the Corporate Governance Committee, the meeting allowance is Baht 24,000 per meeting (for those who attend the Meeting only).

The remuneration payable to the Chairman of the board of directors (under clause 1.1) and the Chairman of each committee (under clause 1.2) is 25 percent greater than that payable to the other directors or members of that committee.

2. Bonus for the PTT board of directors for the year 2011 (same as 2010)

- The bonus was determined to reflect and relate to PTT's operating results or net profit at the rate of 0.05 percent of the 2011 annual net profit. However, each director is entitled to a maximum bonus of Baht 2 million for the entire year. Payment is calculated in proportion to how long each director has been in office. The sum payable to the Board Chairman will be 25 percent greater than that payable to other directors.

Accordingly, I would like to propose that the Meeting consider and approve the directors' remuneration as detailed above.

Acting Chairman:

The Chairman asked whether any shareholders wished to ask questions or express opinions relating to this matter.

Mr. Utane Chartpinyo,
a shareholder:

I would like to make some comments and inquiries as follows:

1. The remuneration for PTT Board of Directors is quite high but it is deemed appropriate for the growth of operating results.
2. I would like to ask about the scope of responsibility of the Corporate Governance Committee and whether the scope also covers supervision in the NGV business.
3. PTT should discuss with the government in relation to the price-control of NGV and PTT should also publicize the real production cost of NGV to users.

4. I would like to ask what the criteria of area for constructing NGV stations used by PTT. Even there is a campaign encouraging the use of NGV, NGV users need to wait for service, which is time-consuming, especially in the up-country area, it can take up to approximately 3-5 hours which leads to traffic congestion and also cause the inconvenience to other people. I also would like to know the reason why PTT does not provide the adequate amount of NGV stations.

Mr. Basant Kumar Dugar,
a shareholder:

I would like to make some comments and inquiries as follows:

1. PTT should treat every shareholder equally.
2. The Corporate Governance Committee deserves higher remuneration thanks to Good Governance Awards given by the SET and other institutions.
3. I would like PTT to consider about payment of dividend in a quarterly basis as same as other large companies, such as SCG, since PTT has good dividend payment and strong cash flow.
4. Since most of PTT's shareholder hold PTT's share for a long term, therefore, such shareholder should place importance on a payment of dividend, instead of a capital gain.
5. The bonus for PTT Board of Directors which has been determined at the rate not more than 0.05 percent of the net profit should be adjusted to 0.05 percent of the annual dividend payment or PTT should seek other appropriate measures which does not lessen the dividend payment.

Acting Chairman:

I would like to invite Mr. Chaikasem, as the Chairman of the Corporate Governance Committee, to clarify this issue;

Mr. Chaikasem Nitisiri,
an Independent Director
and the Chairman of the
Corporate Governance
Committee:

I would like to clarify that the Corporate Governance Committee comprises of 3 committees which are:

Mr. Chaikasem Nitisiri

Mr. Watcharakiti Watcharothai

Mr. Surapon Nitikraipot

The Corporate Governance Committee has a duty to supervise the operation of PTT Board of Directors in accordance with Good Corporate Governance Principles as specified in OECD Guideline on Corporate Governance of State-owned Enterprises and Good Corporate Governance Principles for Listed Companies issued by the SET. However, the Corporate Governance Committee will be responsible only for the determination of policies. In 2010, there were 3 meetings whereby the details of the operation and its result are disclosed in the 2010 Annual Report, page 22 and 140.

Acting Chairman:

I would like to invite Mr. Prasert to clarify more on this issue.

President & CEO:

I would like to clarify more on the following issues:

1. The government has fixed NGV price at Baht 8.50 per kilogram for several years and has planned to adjust the price by using progressive rates but has not done so until present. The government currently subsidises the price of NGV by Baht 2 per kilogram while the production cost is Baht 14.50. Therefore, PTT is still having net losses of Baht 10,000 million. The NGV price intervention policy from the previous year due to the government policy regarding the price control on NGV announced last year led to a higher number of NGV users, up to 300,000 cars at present. Therefore, PTT tries to offer more service stations across the country, currently more than 400 stations in 50 provinces. PTT also planned to increase the number of service stations up to 500 stations by the end of 2011. Moreover, if the price of gasoline in the global market continues rising, a car manufacturer may produce more NGV applicable cars and may lead to a higher number in NGV car users. PTT has the duty to serve NGV car users, therefore, PTT has to notify to public sector and private sector that the price control policy is only a temporary measure since the government may not be able to subsidise the price of NGV in the future.
2. According to an opinion of a shareholder which stated that the decrease of PTT operating results is due to PTT acting in accordance with the government policy which fixes the price of NGV. PTT, as a governmental-private organization, has the duty to conduct its operation in accordance with good governance principles which includes creating a balance, making appropriate benefits between all interested parties whether shareholders, employees, business partners, customers, citizen, society and country. It is then a challenging matter for a chief executive taking the position in the future to create such appropriate balance, making PTT a sustainable and sufficient business. I would like to assure that PTT will consider every matter with utmost carefulness and will create a balance among all relevant aspects.
3. In relation to the payment of dividend on a quarterly basis, there are few listed companies applying such basis. However, the management department will take this to its consideration.
4. The bonus for PTT Board of Directors which has been determined by PTT at the fixed rate of 0.05 percent of an annual net profit but not more than Baht 2,000,000 for each director is deemed appropriate comparing to the operating results and the bonus payment of other leading companies this year. The dividend has not been determined using the fixed rate basis but its adjustment will be based on appropriateness, according to the profit of the company, the necessity in spending the capital money of PTT, the financial liquidity and the price of PTT shares in the market, in order to secure a fair and suitable rate of dividend to shareholders who is deemed important for PTT.

Mr. Niti Tintaruea,
a shareholder:

I would like to ask the representative of the Ministry of Finance, regarding major shareholder of PTT, whether fixing the price of NGV by government is against the law of the Securities and Exchange or not. Since the price of NGV is fixed at Baht 8.50 per kilogram while the real production cost is Baht 14.50 per kilogram, PTT has been burdened with price differential since the year of 2002. And what would be a solution for this situation.

Acting Chairman:

As this inquiry referred to the Ministry of Finance, irrelevant to the issue of Directors' remuneration, I would like to request the representative of the Ministry of Finance to clarify this matter to the shareholder.

Mr. Autane Chartpinyo,
a shareholder:

I would like to make some comments and inquiries as follows:

1. PTT Directors receive high remuneration. Do they appropriately perform their duties as they should do or not? Moreover, it has the duty of PTT to create the balance among relevant parties affected the shareholders or not?
2. Has PTT followed up the operated Corporate Social Responsibility (CSR) program. Please explain.
3. As a shareholder, citizen and operator of NGV service stations, I would like to ask which area PTT has determined as appropriate areas for setting up service stations and what the solution on the inadequacy of NGV service stations should be in order to prevent consumers or other people from inconvenience.
4. NGV service stations should inform the real production cost of NGV capital price.

Acting Chairman:

I would like to invite Mr. Prasert to clarify.

President & CEO:

I would like to further clarify as follows:

1. The issue concerning the losses of PTT from the sale of NGV at the amount of Baht 10,000 million in the previous year which a shareholder inquired why PTT does not cease its business. I would have to clarify that according to the Good Governance principles, PTT cannot cease selling NGV, PTT must take into account every group of interested parties, in order to prevent any damage that might occur to any consumers who installed the NGV system in their vehicles, damage to NGV operators, damage to the image of PTT. The Ministry of Finance, which is a major shareholder of PTT, understands these problems of PTT and people together with the problem regarding the inconvenience of the car users, due to the higher price of other types of energy. Therefore, NGV is one of the options which can relieve such cost. As a consequence the fixed price policy still applies to the sale of NGV since it can relieve the burden of people. At the same time, PTT realizes that it has to provide more service stations; however, this can be done limitedly since

PTT is now facing the losses. In the meantime, every party, i.e. the government, the Ministry of Finance as a shareholder, the Ministry of Energy as a policy maker including all NGV users will seek appropriate solutions for this matter. And there will be a balancing and sustainable solution in the end. I, therefore, would like to ask everyone to trust the management of PTT.

2. To be fair with shareholders, with respect to the remuneration of PTT Board of Directors, I would like to compare with other listed companies which are in the same and different industries with PTT, the shareholders will note that the remuneration of PTT Board of Directors, in the part of meeting allowance, is lower than Banpu PCL, SCG, banks, such as Bangkok Bank, Kasikorn Thai Bank. In relation to the bonus which PTT has determined to pay in the amount of 0.05 percent of the net profit but not exceeding than Baht 2 million while SCG paid bonus proportionally to dividend payment (which equals to 0.21 percent of net profit, as same as Banpu PCL) whereas bank industry paid bonus equal to 0.34 percent of the net profit.

PTT Board of Directors has the duty to operate the business on behalf of shareholders and also has to take a burden of being monitored more intensely than other private companies since it is a state enterprise. Moreover, PTT Board of Directors needs to clarify questions mentioned in parliament by representatives, commissions and other independent organizations under the constitution. It can be seen that the responsibility of the PTT Directors is broader than directors of other private companies.

3. In relation to the CSR program, PTT always follows up the process and results of the program and has concluded the operating result in PTT's CSR report.

Acting Chairman:

The Chairman asked whether any shareholders would like to ask questions or give opinions relating to this matter. As no one asked questions or gave opinions, the Chairman requested that the shareholders vote on this matter.

Resolution:

The Meeting resolved to approve that the directors' remuneration for the year 2011 remain the same as the previous year as proposed, by more than two-thirds of the total number of votes cast by the shareholders present, as detailed as follows:

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1.Approve	2,160,308,185	99.90
2.Against	1,865,606	0.09
3.Abstention	321,400	0.01

Remark: While the Meeting was considering this agenda item, additional shareholders were present with 24,096 shares.

6. To elect directors to replace those directors retiring by rotation

The Chairman stated to the Meeting as follows:

Under PTT's Articles of Association, at each annual general meeting of shareholders, one-third of the members of the board of directors or the nearest number must retire by rotation. This year, there are five (5) directors who must retire by rotation, i.e. Mr. Naris Chaiyasoot, Mr. Pusana Preemanote, Mr. Anuwat Mayteewibulwut, Mr. Aumpon Kittiaumpon (who resigned on 24 March 2011) and Mr. Chaikasem Nitisiri.

Under Article 32, Chapter 4 of PTT's Articles of Association, there must be at least five (5) but not more than 15 (fifteen) directors, who are elected by the shareholders' meeting. To comply with principles of good corporate governance, the four (4) retiring directors, including myself, who are regarded as interested parties in this matter must leave the meeting room until the Meeting has finished considering this matter. I would like to ask Mr. Watcharakiti Watcharothai, independent director and the Chairman of the Nominating Committee to continue presenting the relevant details to the Meeting.

**Mr. Watcharakiti
Watcharothai,**
Independent Director and
the Chairman of the
Nominating Committee:

I would like to clarify as follows:

From 28 October 2010 to 30 December 2010, PTT posted an announcement on its website, inviting shareholders to nominate suitable persons for election as directors of PTT. However, no shareholder nominated any persons who meet the specified eligibility criteria.

The Nominating Committee has proceeded to select persons with suitable qualifications to be nominated for appointment as PTT's directors.

At its meeting, the Nominating Committee selected persons with qualifications, experience and expertise which are useful for PTT's business in accordance with the composition of the board of directors and in compliance with the nominating process. Nominated candidates must have full qualifications and be free of any restrictions under the law governing public limited companies, the law governing standard qualifications of directors and employees of state enterprises and other applicable notifications of the SEC and the SET, including any related cabinet resolutions.

The Nominating Committee has considered, selected and nominated five persons to be appointed as PTT's directors for the board meeting's approval. At the board meeting, the five retiring directors who are regarded as the interested parties abstained from voting and were not present.

The five candidates, who have passed the nomination process for the appointment as PTT's directors are as follows:

1. Mr. Naris Chaiyasoot
Director of the Fiscal Policy Office (**FPO**) and an expert in economics and macroeconomics.
2. Mr. Pusana Preemanote
Guest Lecturer of Imperial College London and an expert in finance and engineering and also a director of PTTEP.
3. Mr. Anuwat Mayteewibulwut
The Director General of Department of Lands (**DOL**) and an expert in law and political science.
4. Mr. Surapit Keetatibutra
Vice Permanent-Secretary of the Ministry of Foreign Affairs (**MFA**) and an expert in foreign affairs.
5. Mr. Joonlasing Wasantasing
Attorney-General and an expert in law and contracts.

The brief profiles of the nominated candidates have been attached to the notice of the Meeting. Candidate numbers 1-3 which are Mr. Anuwat Mayteewibulwut, Mr. Pusana Preemanote and Mr. Naris are the retiring directors who have been nominated for re-election as directors. Candidate numbers 4 - 5 are new candidates.

I would like to propose that the Meeting consider and vote on the candidates for election to the board of directors one by one.

Mr. Watcharakiti Watcharothai,
Chairman of Nominating Committee acted as a Chairman:

The Chairman asked whether any shareholders wished to ask questions or give opinions relating to this agenda. As no one asked questions or gave opinions, the Chairman proposed that the casting of votes in this agenda would be done one by one. In this regard, the disapproval and abstention ballots would be collected first. Then, the approval ballots would also be collected. The Chairman requested that the shareholders vote on this matter and this would be done candidate by candidate.

Resolution: The Meeting approved the re-appointment of three (3) directors retiring by rotation and the appointment of two (2) new directors to replace the directors retiring by rotation, by a majority vote of the total number of votes, as detailed as follows:

1. Mr. Naris Chaiyasoot Deputy Director

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,118,141,712	97.95
2. Against	62,230	0.00
3. Abstention	44,297,149	2.05

2. Mr. Pusana Preemanote Independent Director

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,117,765,456	97.93
2. Against	339,802	0.02
3. Abstention	44,395,833	2.05

3. Mr. Anuwat Mayteewibulwut Independent Director

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,117,654,241	97.93
2. Against	508,109	0.02
3. Abstention	44,338,741	2.05

4. Mr. Surapit Keetatibutra Independent Director

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,102,826,615	97.24
2. Against	14,949,915	0.69
3. Abstention	44,724,561	2.07

5. Mr. Joonlasing Wasantasing Independent Director

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,117,229,668	97.91
2. Against	553,494	0.02
3. Abstention	44,717,929	2.07

Remarks: While the Meeting was considering this agenda item, additional shareholders were present with 5,900 shares and four of directors are back to attend the Meeting.

7. **To approve PTT to purchase the shares of PTT Aromatics and Refining Public Company Limited (“PTTAR”) and PTT Chemical Public Company Limited (“PTTCH”) from the shareholders of PTTAR and PTTCH who disapproved the amalgamation of the companies**

The Chairman invited the President and CEO to present the details of this matter to the Meeting.

President and CEO:

I would like to present the details as follows:

- PTTAR is the Thailand's largest integrated aromatics refinery manufacturer with refining capacity of 280,000 barrels per day and aromatic production capacity of 2,259,000 tons per year.
- PTTCH is the leader in the olefins business in Thailand with the ability to produce 2,888,000 tons of olefins per year, 1,590,000 tons of polymers per year, 495,000 tons of ethylene oxides and ethylene glycols per year and 819,000 tons of oleo chemicals per year.
- PTT holds 48.4 percent of shares in PTTAR and 48.7 percent of shares in PTTCH.
- In 2010, the total income of PTTAR is 276,444 million, the net profit is Baht 6,343 million, the total assets is Baht 153,266 million, Market Capitalization is Baht 63,032 million and the securities value according to market price as of 29 March 2011 is Baht 112,461 million.
- In 2010, the total income of PTTCH is Baht 103,186 million, the net profit is Baht 10,740 million, the total assets is Baht 168,022 million, Market Capitalization is Baht 107,963 million and the securities value according to market price as of 29 March 2011 is Baht 225,099 million.
- With regard to business directions of PTT Group, PTT has been adjusted the business structure of its affiliates in order to enhance value from the synergy, to enhance competitiveness and potential for future development.
- In 2005, PTTCH which is a leading manufacturer of olefins was established from the amalgamation between NPC and TOC.
- In 2007, PTTAR which is the Thailand's largest integrated aromatic refinery manufacturer was established from the amalgamation between ATC and RRC.
- The amalgamation between PTTAR and PTTCH will lead the company to the leader in the petrochemical business in PTT group or Petrochemical Flagship of PTT group in the future.
- The amalgamation between PTTAR and PTTCH will lead to the success in the international level by supporting the cooperation between refinery and petrochemical manufacturer in order to reduce the fluctuation of products and raw material prices and to build a strong base for the growth of business.

- The amalgamation between PTTAR and PTTCH will lead to benefits in many aspects as follows:
 - It is the establishment of Petrochemical Flagship of PTT Group to be the largest manufacturer in Thailand with the capacity to produce more than 8 million tons of petrochemical. It also promotes fully integrated operation by exchange of products between PTTAR and PTTCH which is more than 765,000 tons per year.
 - It enhances the efficiency in management and synergy. There is an increase in the current value of the cash flows at USD 535-1,055 with the 15 year period at 10 percent of reduction rate.
 - It is an expansion of variety of products, lessening risk from price fluctuation in raw materials and products. The new company will produce full circle of products such as, olefins, aromatics, intermediate petrochemical products and other continual products
 - It increases opportunity to expand the business in the future by applying the strong points of each PTTAR and PTTCH in order to enhance product line.
 - It creates business image among investors. The new company will have a total value, a market cap, which can be regarded as one-fifth of the largest company in the countries and will be a leading company in respect of petrochemical business in the ASEAN region.
- The amalgamation between PTTAR and PTTCH has been approved by the PTT Board of Directors meeting No. 2/2011 dated 24 February 2011
- After the amalgamation, the new company will be managed in accordance with the Public Limited Companies Act and all assets, debts, rights, obligations, responsibilities and liabilities of both PTTAR and PTTCH shall be transferred to such company.
- PTTAR and PTTCH shall be put into liquidation once the new company is registered with the Ministry of Commerce.
- After the registration of MOC, the new company shall file an approval to list its share in the SET. The shares of PTTAR and PTTCH shall be delisted on the same day.
- The former shareholders of PTTAR and PTTCH will be the new shareholders of the new company;
 - 1 share of PTTAR equals to 0.501296791 share of the new company.
 - 1 share of PTTCH equals to 1.980122323 share of the new company.

- The new company will have the registered capital equals to the aggregated registered capital of PTTAR and PTTCH which is approximately Baht 45,129 million.
- At present, PTT is holding:
 - 48.40 percent of shares in PTTAR.
 - 48.68 percent of shares in PTTCH.
- After the amalgamation, PTT will hold approximately 48.59 percent of shares in the new company.
- However, the stated amount of shares does not include the shares from the shareholders of PTTAR and PTTCH who disapproved the amalgamation and PTT offered to purchase.

	PTTAR	PTTCH	The new company
Paid up capital	29,791,061,610	15,158,208,000	44,949,269,610
Amount of Shares	2,979,106,161	1,515,820,800	4,494,926,961
Par value	10	10	10
Amount of PTT shares	1,441,987,368	737,917,272	2,184,030,102
Proportion of shareholding by PTT	48.40percent	48.68percent	48.59percent

The procedures and timeline for the amalgamation are as follows:

- On 24 February 2011, the PTT Board of Directors approved the amalgamation between PTTAR and PTTCH.
- The shareholders' meeting today is to approve the purchase of ordinary shares by PTT from the shareholders of PTTAR and PTTCH who disapproved the amalgamation.
- The shareholders' Meeting of PTTAR and PTTCH shall be held tomorrow in order to approve the amalgamation.
- Between April to July 2011, PTTAR and PTTCH shall notify the resolution approving the amalgamation to all creditors of PTTAR and PTTCH so that the creditors can disapprove the amalgamation.
- In October 2011, PTTAR and PTTCH will jointly convene shareholders' meeting in order to transfer business to the new company and the new company will start operating its business including trading of shares in the SET.

- In the period of registration of a new company around August 2011, there may be a trade suspension for a period of time in order to proceed any changes related to securities and the list of shareholders.
- In every matter mentioned above, the resolutions are required to approve by the shareholders of PTTAR and PTTCH with at least three-fourth of the total number of votes cast by the shareholders present and eligible to vote. At the meeting of both shareholders from PTTAR and PTTCH, resolutions must be passed by at least 50 percent of the total numbers of votes cast by the shareholders present and eligible to vote.
- According to Public Limited Company Act, where an amalgamation is approved by resolutions of shareholders' meetings of PTTAR and PTTCH, the amalgamating companies must arrange for the purchase of shares held by shareholders who disapproved amalgamation at the price last traded on the SET prior to the date on which such amalgamation resolution is passed by the shareholders' meeting.
- Disapproved shareholders must offer to sell their shares within 14 days after receiving the purchase offer.
- PTT intends to purchase shares from the disapproved shareholders as stated that it will benefit the shareholders both in a long term and a short term.
- The price of the shares that PTT will purchase from PTTAR and PTTCH is the conditional price which PTT has informed the SET;
 - Not more than Baht 39 per share in PTTAR.
 - Not more than Baht 150 per share in PTTCH.
- PTT intends to purchase shares not more than 10 percent of the shareholders present and eligible to vote from each company.
- PTT has to fix the purchasing price and amount because there might be the speculation of the share price and such price will not reflect market price.
- In the circumstances where the conditions set by PTT have not been completed, PTT reserves the rights to terminate its purchase offer to purchase shares of PTTAR and PTTCH at its sole discretion.
- Board of Directors of PTT passed a resolution for approval the amalgamation between PTTAR and PTTCH, and also imposed terms and conditions of offer to purchase shares belonging to shareholders who disapproved amalgamation between PTTAR and PTTCH. Board of Directors of PTT reserves the right to

amend terms and conditions of the purchase offer, including purchase offer price in order to procure the completion of such amalgamation. The number of PTTAR's and PTTCH's shareholders who disapproved the amalgamation shall also be taken into consideration.

- The purchase of shares from disapproved shareholders of PTTAR and PTTCH will result in PTT holding more than 50 percent of shares in PTTAR and PTTCH, which falls under the category of section 107 of the Public Limited Companies Act B.E. 2535; the purchase or acceptance of transfer of the business of other companies or private companies by the company, together with the Articles of Association of PTT, therefore the resolution approved by PTT's shareholders is required with at least three-fourth of the total numbers of votes cast by shareholders present and eligible to vote.
- This transaction falls neither into the category of the connected transaction nor the acquisition and disposition criteria prescribed by the SET. Therefore, PTT does not have to conduct any proceeding in compliance with such criteria.
- SEC has made an exemption to PTT for tender offer to purchase all shares of PTTAR or the new company, even though such amalgamation leads to PTT holding more than 50 percent of the voting right of total number of the issued shares of PTTAR and the new company.
- SEC informed that PTT has a duty to make a tender offer of all shares in PTTCH if the shareholding of PTT and HMC Polymers Company Limited, which is the person under Section 258 of the Securities and Exchanges Act, in PTTCH reached the trigger point, i.e. 75 percent of the voting rights of total number of the issued shares of PTTCH.
- Therefore, I would like to request that shareholders vote to approve the purchase of shares of PTTAR and PTTCH from shareholders who disapproved the amalgamation. This transaction falls under the category of the purchase or acceptance of transfer of the business of other companies or private companies by the company according to section 107 of Public Limited Companies Act B.E. 2535 and the Articles of Association of PTT.

- Acting Chairman:** The Chairman asked whether any shareholders wished to ask questions or give opinions relating to this matter.
- Mr. Chatchai Khunngam,** I would like to know which company Polymer means and what is the a shareholder business and background of such company.
- Acting Chairman:** I would like to invite Mr. Prajya Phinyawat to clarify this issue.

Mr. Prajya Phinyawat,
Chief Operating Officer,
Downstream Petroleum
Business Group

I would like to clarify that Polymers means HMC Polymers Company Limited, which PTT is a shareholder in this company, and this company is also a shareholder in PTTCH. According to the regulations of SEC, HMC Polymers Company Limited is considered as a shareholder in the same entity with PTT.

Acting Chairman:

The Chairman asked whether any shareholders wished to ask questions or give opinions relating to this business. As no one asked questions or gave opinions, the Chairman requested that the shareholders vote on this matter.

Resolution: The meeting resolved to approve the purchase of the shares of PTT Aromatic and Refining Public Company Limited (**PTTAR**) and PTT Chemical Public Company Limited (**PTTCH**) from the shareholders of PTTAR and PTTCH who opposed the merger.

Votes	Number of votes cast (1 share = 1 vote)	Percentage of voting rights exercised by the shareholders present
1. Approve	2,162,181,479	99.99
2. Against	38,310	0.00
3. Abstention	292,702	0.01

Remarks: While the Meeting was considering this agenda item, additional shareholders were present with 11,400 shares.

8. Other matters

Acting Chairman:

The Chairman asked whether any shareholders wished to ask questions or give any opinions.

**Mr. Layda
Champaduang,**
a shareholder:

I would like to make some inquiries and give some opinions as follows:

1. How long does PTT have to take the burden on the price of NGV and how long has PTT faced with losses from such action?
2. I would like to leave this matter in the responsibility of Mr. Naris and Mr. Norkun to further discuss with the government and also to consider policies or measures in order to control NGV price to be consistent with market mechanism.

Mr. Piyapong Ruensank,
a shareholder:

I would like make some inquiries as follows:

1. What is the policy of PTT Board of Directors in relation to monitor the NGV price to be more beneficial and fair to PTT and shareholders?
2. How would PTT set the policy to deal with losses from sale of NGV to the transportation business which the need of NGV is quite substantial?

3. I would like to know how PTT Board of Directors and PTT's executives plan to handle with damage occurring to minority shareholders and prevent such damage. Moreover, I would like to know what is the cause of the losses at the amount of Baht 27,000 million whether it is the result from the market mechanism or from the nondependent policy. Since shareholders holding an aggregate number of shares not less than five percent of the total number of shares of the company may file a claim against Directors and Executives of the company for intentionally or negligently causing losses.
4. How long does PTT take for solving problems regarding the NGV price?

**Mr. Boonchoo
Tongchareunpoonporn,**
a shareholder:

I would like to ask whether PTT has any future plan to amalgamate with other companies in PTT group, apart from the amalgamation between PTTAR and PTTCH. What would be the possibility to amalgamate with ESSO in order to create synergy according to the news from the SET.

Mr. Sarut Chokechamsai,
a shareholder:

I would like to ask the Chairman of the Nominating Committee that neither of the nominated directors has any qualifications which are inconsistent with the laws, the cabinet resolutions, the resolution of the Office of the National Counter Corruption Commission (NCCC) or any other regulations.

Mr. Niti Tintaruea,
a shareholder:

I would like to know whether the action of the Ministry of Finance in relation to subsidising the NGV price is legitimate and whether the Ministry of Energy has its authority to intervene the price of NGV or not.

Mr. Chatchai Koonngam,
a shareholder:

I would like to give some opinion. The main business of PTT since it was established as “Sam-Ta-Harn” service station was a retail business and has later developed to be the Petroleum Authority of Thailand and to be PTT Public Company Limited and started to expand its operation to cover the wholesale business. Comparing to Shell Company overseas, Shell was divided into 2 major companies which are the company with the purpose of exploring and manufacturing and Shell International Petroleum Company with the purpose of transportation and marketing. When PTT entered into an auction for the purchase of Carrefour in Thailand, unfortunately there was an disapprove of such transaction. If PTT purchase Carrefour business, PTT may expand the network in the retail business. I would like PTT to explain about the Research and Development Project of PTT for the public knowledge and how would this Project benefit the company and the country.

**Pol.Col. SermKiat
Bumrungpruk,**
a shareholder:

I would like to give certain comments as follows:

1. I would like PTT to consider the payment of interim dividend to shareholders on a quarterly basis.

2. I would like PTT to reconsider about the unfair price resulted from control price policy and compare with other countries in the region, in respect of price of energy, GDP, tax structure and economic structure.

Mr. Phuvanart Na Songkla,
a shareholder and a
representative of Thai
Investor Association:

I would like to make a complement and express my gratitude to Mr. Prasert and other shareholders. I also regret that Mr. Prasert has completed his second term of being a director and cannot take the position due to the restriction imposed by law. Past accomplishments and the former operating results have been satisfying, since PTT traded shares in SET and the benefit given to shareholder has been impressive. I would like to know what would be the future plan for PTT regarding the acquisition.

Acting Chairman:

I would like to clarify that each of the Nominating Committee has already signed confirmation letter stated that their qualifications are in compliance with laws. I would like to invite Mr. Norkun and Mr. Prasert to clarify this matter.

Mr. Norkun Sittiphong,
Director:

I would like to clarify that the Energy Policy and Planning Committee which the Prime Minister is the Chairman of Committee, has the power according to the law to fix the price of NGV at Baht 8.50 per kilogram and the Committee assigned the policy to the Energy Policy and Planning Office (EPPO) to do a research and calculate the real production cost of NGV price. The research shows that the cost of selling NGV comprises of natural gas, transportation expenses, construction expenses and etc., which equal to Baht 14 per kilogram. Later, EPPO has proposed the government to adjust the NGV price, but the government deemed that the price adjustment will affect the cost of transportation system of country since NGV now replaces the consumption of gasoline by 8.5 percent in transportation sector. Therefore, the government ordered the Energy Policy and Planning Committee to subsidise the price of NGV at the amount of Baht 2 per kilogram until June 2011. After that there will be the reconsideration of the price of NGV and determination of the utmost appropriate price. Regarding this matter, PTT Board of Directors discussed about the period which PTT is required to take this burden. The Ministry of Energy already acknowledged this and proposes to the authorized person for further consideration.

President and CEO:

I would like to clarify the matter concerning the amalgamation within PTT group that it is one of the strategies to increase value of business, competitiveness of PTT and to reduce cost since PTT is now competing with foreign companies, the business scale of PTT is still not that large compared to the international level, therefore, PTT has to maintain flexible status in order to adjust itself to various circumstances.

In the future, when the situation and opportunities is proper and the research showing that the amalgamation would benefit the shareholders and all other interested parties. PTT group may consider on the amalgamation in the future.

Moreover, as this is an occasion where I will complete my second term in September 2011, it has been the eighth year in the position of the President; I would like to take this opportunity to say thank you and good bye to every shareholder for your continual support and trust. Even though I am no longer the executive of PTT but PTT is like my second home, therefore, if there is anything that can be PTT's benefit, I would be more than please to provide some advice and support.

Acting Chairman:

Since there are no more shareholders that would like to ask questions or make comments, I, on behalf of the Board of Directors, would like to thank all shareholders present at this Meeting. May I ask all shareholders to please complete and return the ballots for PTT to use as evidence in the future and return the questionnaire to the officials at the exit before going to lunch.

After the Meeting began at 9.30 a.m., additional shareholders arrived and registered for the Meeting. At the close of the Meeting, there were 6,785 shareholders attending the Meeting, divided into 3,071 shareholders who attended the Meeting in person and 3,714 proxy holders, amounting to a total of 2,162,521,091 shares, or 75.90 percent of the total issued and outstanding shares. I thank the shareholders and I now declare the Meeting adjourned.

The meeting closed at 13.33 hrs.

Recorded by Mrs. Wantanee Jaruke and Mr. Buranin Rattanasombat

Proofed by Mr. Atthapol Ruekphiboon

Signed.....

(Mr. Naris Chaiyasoot)
Acting Chairman

Signed.....

(Mr. Prasert Bunsumpun)
President and CEO
Director and Secretary to the Board of Directors